



# Department of Justice

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## **KOITO MANUFACTURING CO. LTD. AGREES TO PLEAD GUILTY TO PRICE FIXING ON AUTOMOBILE PARTS INSTALLED IN U.S. CARS**

### ***Company Agrees to Pay \$56.6 Million Criminal Fine***

WASHINGTON – Koito Manufacturing Co. Ltd., a Tokyo-based company, has agreed to plead guilty and to pay a total of \$56.6 million in criminal fines for its roles in separate price-fixing conspiracies involving automobile lighting fixtures and lamp ballasts installed in cars sold in the United States and elsewhere, the Department of Justice announced today.

According to a two-count felony charge filed today in U.S. District Court for the Eastern District of Michigan in Detroit, Koito engaged in separate conspiracies to rig bids for, and to fix, stabilize and maintain the prices of automobile lighting fixtures and automotive high-intensity discharge (HID) lamp ballasts sold to automakers in the United States and elsewhere. In addition to the criminal fine, Koito has also agreed to cooperate with the department's ongoing auto parts investigations. The plea agreement is subject to court approval.

"The conspirators engaged in long-term conspiracies to fix the prices of essential components used in the production of automobiles," said Brent Snyder, Deputy Assistant Attorney General of the Antitrust Division's criminal enforcement program. "Today's criminal fine demonstrates the Antitrust Division's continued commitment to hold companies accountable for collusive behavior that impacts American consumers."

According to the charges, Koito and its co-conspirators sold the lighting fixtures and ballasts at noncompetitive prices to automakers in the United States and elsewhere. Koito and its co-conspirators carried out the conspiracies through meetings and conversations in which they discussed and agreed upon bids and price quotations and agreed to allocate among the companies certain sales of automotive lighting fixtures and HID lamp ballasts sold to automobile and component manufacturers. Koito's involvement in the conspiracy to fix prices of automotive lighting fixtures lasted from at least as early as June 1997 until about July 2011. Koito's involvement in the conspiracy to fix prices of automotive HID lamp ballasts lasted from at least as early as July 1998 until at least February 2010.

Koito manufactures and sells automotive lighting fixtures, which include automobile headlamps and rear combination lamp assemblies that employ various bulb technologies and are used for forward illumination, visibility and to signal various vehicular functions, such as braking, reversing direction and turning.

Koito also manufactures and sells HID lamp ballasts – electrical devices that are essential for the operation of an HID headlamp. HID lamp ballasts regulate the electrical current used to ignite and control the electrical arc that generates the intensely bright light emitted by an automotive HID headlamp fixture.

Including Koito, 24 corporations have pleaded guilty or agreed to plead guilty in the department's investigation into price fixing and bid rigging in the auto parts industry, and have agreed to pay a total of more than \$1.8 billion in fines. Additionally, 26 individuals have been charged.

Koito is charged with price fixing in violation of the Sherman Act, which carries a maximum penalty of a \$100 million criminal fine for corporations. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Today's prosecution arose from an ongoing federal antitrust investigation into price fixing, bid rigging and other anticompetitive conduct in the automotive parts industry, which is being conducted by each of the Antitrust Division's criminal enforcement sections and the FBI. Today's charges were brought by the National Criminal Enforcement Section, with the assistance of the Detroit Field Office of the FBI and the FBI headquarters' International Corruption Unit. Anyone with information concerning this investigation should contact the Antitrust Division's Citizen Complaint Center at 1-888-647-3258, visit [www.justice.gov/atr/contact/newcase.html](http://www.justice.gov/atr/contact/newcase.html) or call the Detroit Field Office of the FBI at 313-965-2323.

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